

TO: Medical Day Care Provider

FROM: Susan J. Tucker Joseph E. Davis
Executive Director Executive Director
Office of Health Services Office of Operations and Eligibility

RE: HIPAA Implementation

DATE: September 22, 2003

A federal law called the Health Insurance Portability and Accountability Act (HIPAA) requires health care providers to submit claims in a nationally standardized format using national procedure codes. The Department of Health and Mental Hygiene Medical Care Program (the Program) is working hard to crosswalk the codes, modify our transactions, and make the system changes necessary to pay claims under a new, HIPAA-compliant methodology.

Effective **January 3, 2004**, the Program will change the procedure code for Medical Day Care Services. More detailed instructions are below.

Additionally, effective **January 3, 2004**, Medical Day Care providers must utilize the following to bill for Medical Day Care Services:

- **Electronic Transactions:** All electronic transactions from Medical Day Care providers must be submitted as ASC X12N 837P Transactions. There is information below on companion guides, testing, and the submitted identification form trading partner agreement (required for electronic transactions). If you plan to submit electronic claims to the Program, either directly or through a billing service, you must return a signed Submitter Identification Form and Trading Partner Agreement and test. The forms are attached.
- **Paper Transactions:** All paper transactions from Medical Day Care providers must be submitted to the Maryland Medical Assistance Program on the CMS-1500 (formerly the HCFA-1500) form. The billing instructions are discussed below and example forms are attached.

The Program will implement medical day care transaction and code changes on January 3, 2004. Providers have until January 2, 2004 at 4:00 pm to submit non-HIPAA compliant claims. Until January 3, medical day providers should continue billing Medicaid as they do now.

If you have any questions regarding this memorandum, please contact the Medical Day Care staff at 410-767-1444.

PROCEDURE CODE CHANGE

Effective January 3, 2004

Medical Day Care Procedure Code Change		
Current Code	Code for dates of service on or after 1/3/2004	Service
W8330	S5102	DAY CARE SERVICES, ADULTS

- For claims with a **Date of Service** before January 3, 2004, use W8330.
- For claims with a **Date of Service** on or after January 3, 2004, use S5102.

Example#1 – A provider submits a claim in February 2004 for services rendered on November 28, 2003. This claim must be submitted on either the paper CMS-1500 or the electronic X12N 837P using the W8330 procedure code.

Example#2 – A provider submits a claim in February 2004 for services rendered on January 15, 2004. This claim must be submitted on either the paper CMS-1500 or the electronic X12N 837P using the S5102 procedure code.

The Program will not pay any claims with W8330 for dates of service on or after January 3, 2004.

The Program will not pay any claims using the DHMH 248 or the old electronic billing systems on or after January 3, 2004.

BILLING TRANSACTION CHANGES

Effective January 3, 2004

Electronic Transactions (Electronic Claims)

On and after January 3, 2004, all electronic transactions from Medical Day Care providers must be submitted as ASC X12N 837P Transactions. Please consult your Information Technology staff or billing software vendor for assistance.

Companion Guides

In working toward the January 3, 2004 implementation deadline, the Program produced Companion Guides to assist providers for the ANSI ASC X12N Transactions. The X12 837 and X12 835 Companion Guides can be obtained through the DHMH website at: <http://www.dhmh.state.md.us/hipaa/transandcodesets.html>.

We continue to work on the other transaction Companion Guides and will post them on the web when they are completed.

Testing

Providers who plan to send electronic transactions directly to the Program must test for HIPAA compliance before they can transmit claims to us for payment. The Program offers free testing, which can be accessed at: <http://www.dhmd.state.md.us/hipaa/testinstruct.html>.

Trading Partner Agreement and Submitter Identification Form

We have attached a copy of our Trading Partner Agreement and Submitter Identification Form. The Program must have both the Trading Partner Agreement and Submitter Identification Form on file before accepting any HIPAA transactions including X12N 837 (Claims).

Each form has a contact phone number if you have additional questions or if you are unclear about which forms you are to fill out. It is imperative that you complete the necessary form(s) and return them prior to submitting electronic transactions. Please mail the agreements to:

Rita Tate
201 W. Preston St. Rm. LL3
Baltimore MD 21201
Attn: HIPAA Billing Agreements

If you do not complete testing and the attached agreements are not on file with the Program, we will NOT be able to process your electronic claims on or after January 3, 2004.

Paper Transactions (Paper Claims)

On and after January 3, 2004, all paper claims must be submitted on the CMS-1500 form.

Paper Billing Instructions

The Program accepts both red-and-white and black-and-white paper CMS-1500 forms. The red-and-white versions may be purchased at most office supply stores. The black-and-white version may be downloaded from <http://cms.hhs.gov/providers/edi/cms1500.pdf>. The State will not supply these forms.

Basic Rules for the Paper CMS-1500:

- On and after January 3, 2004, use the CMS-1500.
- Use one CMS-1500 for each recipient.
- Be sure that the information entered on the form is legible.
- Double-check all information on the claim, especially the Provider and Recipient Numbers.
- Enter information with a typewriter or in black ink.
- Only six dates of service can be billed on one CMS-1500 form. If you need to bill additional dates, you must complete a new CMS-1500 form with all the required information completed.

- Paper CMS-1500 claims should be mailed to:
Office of Operations & Eligibility
State Department of Health and Mental Hygiene
P.O. Box 1935
Baltimore, Maryland 21203

CMS-1500

THERE ARE ONLY 11 FIELDS THAT MUST BE COMPLETED!

(Block numbers that are not described below may be left blank.)

Medical Day Care Provider CMS-1500 Paper Billing Instructions		
Block Number	Title	Action
2	Patient's Name	Enter the patient's last and first name from the Medicaid Identification Card.
9a	Other Insured's Policy or Group Number	Enter the patient's 11-digit MA number as it appears on the MA card. The patient's MA eligibility should be verified on each date of service prior to rendering service by calling the Eligibility Verification System (EVS).
11	Insured's Policy Group or FECA Number	Enter "K". This indicates that Medical Day Care is not covered by any other insurance.
24 A	Date(s) of Service	Enter each separate date of service as a six digit numeric date (e.g. 06/01/04) under the "From" heading. Leave the space under the "To" heading blank. Each date of service on which a service was rendered must be listed on a separate line. Ranges of dates <u>ARE NOT</u> accepted on this form.
24 B	Place of Service	Enter "99".
24 D	Procedures, Services or Supplies	Enter the procedure code under the space labeled "CPT/HCPCS". For dates of service on or after January 3, 2004, the procedure code will be S5102.
24 F	\$ Charges	Enter the usual and customary charge.
24 G	Days or Units	Enter "1".
28	Total Charge	Enter the sum of the charges shown on all lines of Block 24 F.
31	Signature of Provider and Date	The provider's signature is required. The claim date <u>MUST</u> be in this field in order for the claim to be reimbursed.
33	Physician's Suppliers Billing Name, Address, ZIP code & Phone #	The MA provider number to which payment is to be made <u>MUST</u> be entered in the lower right corner of this block to the <u>IMMEDIATE RIGHT OF THE WORDS "GRP#"</u> . Your claim will not be reimbursed if there is an error in this number or if it is omitted.